

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	FY 2012 REQUEST	GOVERNOR RECOMMENDS FY 2012
Administration and Insurance Operations	\$ 7,115,001	\$ 10,115,715	\$ 12,706,728	\$ 11,706,728
Market Conduct and Financial Examinations	3,701,803	4,219,866	4,041,656	4,041,656
Health Insurance Counseling	1,156,158	900,000	900,000	900,000
Division of Credit Unions	944,682	1,249,846	1,249,846	1,249,846
Division of Finance	6,611,285	7,086,544	7,086,544	7,086,544
Division of Professional Registration	<u>11,458,307</u>	<u>14,567,069</u>	<u>14,208,006</u>	<u>15,208,006</u>
DEPARTMENTAL TOTAL	\$ 30,987,236	\$ 38,139,040	\$ 40,192,780	\$ 40,192,780
Federal Funds	996,159	1,700,000	4,112,803	3,112,803
Other Funds	29,991,077	36,439,040	36,079,977	37,079,977
Total Full-time Equivalent Employees	516.44	550.15	571.15	571.15
Federal Funds	0	0	21.00	21.00
Other Funds	516.44	550.15	550.15	550.15

DEPARTMENT SUMMARY

The Fiscal Year 2012 budget provides \$40.2 million for the Department of Insurance, Financial Institutions and Professional Registration. The department protects consumers through oversight of the insurance industry, financial institutions, and licensed professionals.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
ADMINISTRATION AND INSURANCE OPERATIONS**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Administration	\$ 166,829	\$ 1,195,278	\$ 2,608,081
Insurance Operations	6,948,172	8,920,437	9,098,647
TOTAL	\$ 7,115,001	\$ 10,115,715	\$ 11,706,728
PERSONAL SERVICE			
Federal Funds	0	0	969,459
Other Funds	6,131,016	7,117,846	7,296,056
EXPENSE AND EQUIPMENT			
Federal Funds	0	0	1,443,344
Other Funds	983,985	1,997,868	1,997,868
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	1,000,000	0
Other Funds	0	1	1
TOTAL			
Federal Funds	0	1,000,000	2,412,803
Other Funds	7,115,001	9,115,715	9,293,925
Total Full-time Equivalent Employees			
Federal Funds	136.22	161.00	184.00
Other Funds	0	0	21.00
	136.22	161.00	163.00

ADMINISTRATION

Certain administrative functions such as policy development, legislative coordination, communications (public information), research, and accounting are centralized to provide more efficient services. Staff provides these functions centrally with the costs allocated based on usage to the appropriate divisions within the department.

INSURANCE OPERATIONS

Insurance staff is responsible for overseeing the insurance industry's compliance with Missouri insurance laws and regulations, and protecting the interests of Missouri insurance-buying consumers. Specific duties include licensing insurance producers (agents, brokers, and agencies), investigating consumer complaints, collecting about \$200 million in premium taxes paid by insurance companies, and providing information to around 30,000 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2012 Governor's Recommendations

- \$2,412,803 federal funds and 21 staff to implement federal grants.
- \$178,210 Insurance Dedicated Fund and two staff reallocated from Market Conduct and Financial Examinations.
- (\$1,000,000) federal funds core reduction from the Fiscal Year 2011 appropriation level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
 MARKET CONDUCT AND FINANCIAL EXAMINATIONS**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Market Conduct and Financial Examinations TOTAL	\$ 3,701,803	\$ 4,219,866	\$ 4,041,656
PERSONAL SERVICE EXPENSE AND EQUIPMENT TOTAL	3,216,462 485,341	3,418,090 801,776	3,239,880 801,776
Other Funds	3,701,803	4,219,866	4,041,656
Total Full-time Equivalent Employees	44.75	44.50	42.50
Other Funds	44.75	44.50	42.50

The department conducts both financial and market conduct examinations. Financial examinations ensure that insurance companies have sufficient reserves to pay consumer claims. Market conduct examinations of insurance companies serve to verify that policyholders and beneficiaries receive the full benefits from the contracts by which they and the insurer have agreed.

Fiscal Year 2012 Governor's Recommendations

- (\$178,210) Insurance Examiners Fund and (two) staff reallocated to Insurance Operations.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
HEALTH INSURANCE COUNSELING**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Health Insurance Counseling			
TOTAL	\$ 1,156,158	\$ 900,000	\$ 900,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	996,159	700,000	700,000
Other Funds	159,999	200,000	200,000
TOTAL			
Federal Funds	996,159	700,000	700,000
Other Funds	159,999	200,000	200,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The department sponsors the CLAIM Program, which is the Missouri State Health Insurance Assistance Program. CLAIM's trained counselors provide free, unbiased advocacy, education and assistance to people with Medicare and those who help them to make informed decisions about Medicare and related health insurance needs.

Fiscal Year 2012 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF CREDIT UNIONS**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Division of Credit Unions TOTAL	\$ 944,682	\$ 1,249,846	\$ 1,249,846
PERSONAL SERVICE	824,582	1,126,071	1,126,071
EXPENSE AND EQUIPMENT	120,100	123,775	123,775
TOTAL			
Other Funds	944,682	1,249,846	1,249,846
Total Full-time Equivalent Employees	14.52	15.50	15.50
Other Funds	14.52	15.50	15.50

The Division of Credit Unions is responsible for the examination, supervision, chartering, merger, and liquidation of Missouri's state-chartered credit unions. The division also responds to consumer complaints against credit union services or operations. Missouri's 128 credit unions have approximately 1.2 million members and assets exceeding \$9.6 billion. Missouri ranks seventh in the nation in the number of state-chartered credit unions.

Fiscal Year 2012 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF FINANCE**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Division of Finance TOTAL	\$ 6,611,285	\$ 7,086,544	\$ 7,086,544
PERSONAL SERVICE	5,738,664	6,216,626	6,216,626
EXPENSE AND EQUIPMENT	870,821	868,918	868,918
PROGRAM SPECIFIC DISTRIBUTION	1,800	1,000	1,000
TOTAL			
Other Funds	6,611,285	7,086,544	7,086,544
Total Full-time Equivalent Employees	102.36	106.15	106.15
Other Funds	102.36	106.15	106.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 285 state-chartered banks, non-deposit trust companies, and savings and loan associations. The division also licenses and regulates consumer credit companies, credit services organizations, money order companies, and residential mortgage brokers. Primary objectives include ensuring the safety and soundness of these institutions and the monitoring of compliance with laws and regulations, thereby safeguarding the funds of depositors and maintaining public confidence in Missouri's financial system. Missouri ranks fifth in the nation in the number of state-chartered banks.

Fiscal Year 2012 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

FINANCIAL SUMMARY

	FY 2010 EXPENDITURE	FY 2011 APPROPRIATION	GOVERNOR RECOMMENDS FY 2012
Administration	\$ 3,575,331	\$ 4,479,192	\$ 4,479,192
State Board of Accountancy	431,900	459,600	459,600
State Board of Architects, Professional Engineers, Land Surveyors and Landscape Architects	599,243	707,443	707,443
State Board of Chiropractic Examiners	93,401	149,567	149,567
Missouri Dental Board	482,374	635,009	635,009
State Board of Embalmers and Funeral Directors	103,545	568,844	209,781
State Board of Registration for the Healing Arts	2,206,154	2,481,609	2,481,609
State Board of Nursing	1,510,827	1,788,234	2,788,234
State Board of Optometry	12,656	42,043	42,043
State Board of Pharmacy	1,173,113	1,618,016	1,618,016
State Board of Podiatric Medicine	7,658	20,669	20,669
Missouri Real Estate Commission	906,137	1,214,991	1,214,991
Missouri Veterinary Medical Board	82,695	109,579	109,579
State Board of Cosmetology and Barber Examiners	273,273	292,273	292,273
TOTAL	\$ 11,458,307	\$ 14,567,069	\$ 15,208,006
PERSONAL SERVICE	7,914,784	8,956,963	9,106,963
EXPENSE AND EQUIPMENT	3,522,766	5,590,106	5,081,043
PROGRAM SPECIFIC DISTRIBUTION	20,757	20,000	1,020,000
TOTAL	11,458,307	14,567,069	15,208,006
Other Funds	11,458,307	14,567,069	15,208,006
Total Full-time Equivalent Employees	218.59	223.00	223.00
Other Funds	218.59	223.00	223.00

The Division of Professional Registration is responsible for supporting 39 professional licensing boards and commissions in licensing and regulating the activities of over 400,000 Missourians representing 240 different trades and professions. The division serves and protects the public by providing an accessible, responsible, and accountable regulatory system to ensure that Missouri consumers benefit from competent practitioners. Each licensing entity licenses qualified professionals by ensuring that minimum requirements have been met. In addition, each entity must appropriately enforce standards through the inspection of facilities and the investigation of complaints.

Fiscal Year 2012 Governor's Recommendations

ADMINISTRATION

Continue funding at the current level.

STATE BOARD OF ACCOUNTANCY

Continue funding at the current level.

STATE BOARD OF ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS AND LANDSCAPE ARCHITECTS

Continue funding at the current level.

STATE BOARD OF CHIROPRACTIC EXAMINERS

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

MISSOURI DENTAL BOARD

Continue funding at the current level.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

- (\$359,063) Board of Embalmers and Funeral Directors Fund core reduction for one-time expenditures.

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

Continue funding at the current level.

STATE BOARD OF NURSING

- \$1,000,000 Board of Nursing Fund for the Caring for Missourians Program.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

Continue funding at the current level.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

Continue funding at the current level.

MISSOURI VETERINARY MEDICAL BOARD

Continue funding at the current level.

STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS

Continue funding at the current level.